

## REMARKS

Claims 1, 6, 10-15, 17, 20, 23-27, 32, 33, 35, 37, 38, 40, 42, 45-48, 50, 52, 56, 57, 59-62, 64, 67, 68, 71-74, 76, 78-80, 84, 86, 87, 94, 95, 97, 98 and 100-102 are pending in the above-identified application. All of the pending claims were rejected. With this Amendment, claims 1, 37, 38, 52, 59, 62, 68, 73, 74, 84, 97, 98 and 100 were amended. Support for the amendment can be found throughout the Specification and the Claims as filed. See, for example, paragraphs [0030], [0031], [0092], and [0093]. Therefore, no new matter is added by way of this amendment. Upon entry of this amendment, all previously pending claims remain pending and presented for examination in view of the amendment and the arguments presented below.

Amendments to the Claims are shown above with insertions shown in underlined text, and deletions shown in ~~[[double brackets]]~~ when five or fewer consecutive characters are deleted and in strikethrough text otherwise.

As an initial issue, in “RESPONSE TO REMARKS” of the office action, the Examiner alleges that Applicants argued the Sandor Provisional (60/397,401) does not teach or suggest the steps relied upon by the examiner in rejecting Claims 1-67 (see last line on page 2 to first line on page 3); the Examiner further urges Applicants to see the detailed application of the Sandor provisional application to independent claims 1, 31, and 51 (see lines 16-17 on page 3). Applicants respectfully point out that Claims 1-102 were rejected in the previous office action dated June 12, 2008 and that Claims 1, 52, 62 and 84 are the independent claims in the current application. It appears that the Examiner is making reference to a related case (Application No. 10/720,777) and perhaps confused the two cases in preparing at least this portion of the Office Action.

### Amendments to the Claims

Claim 1 has been amended to clarify use of a processing device and to add as a new feature assigning a unique identifier to each emission reduction unit. Support for this amendment can be found throughout the Specification and the Claims as filed. See, for example, paragraph [0030], [0031], [0069], [0092], and [0093] of the specification as filed. More support

can be found, for example, in the abstract, paragraphs [0014], [0016], [0026], [0028], [0029], [0031], [0032], [0035], [0057], [0062], [0065], [0069], [0071], [0072], [0073], [0076], [0078], [0080], [0081], [0082] and [0085] in the Specification of copending U.S. Patent Application Serial Number 10/720,777, which was filed on the same date as the current application. As US Patent Application Serial Number 10/720,777 was incorporated by reference in its entirety into the instant specification, it is a part of the instant specification as filed as if the text was repeated. See M.P.E.P. §2163.07(b). Therefore, no new matter was added by way of this amendment.

Similarly, Claims 52, 62 and 84 have been amended to further clarify that the production practice data is converted to environmental data using a pre-selected conversion factors using a processing device, and to recite that the environmental data is assigned a unique identifier. Support for this amendment can be found throughout the Specification and the Claims as filed. See, for example, paragraph [0030], [0031], [0069], [0092], and [0093] of the specification as filed. More support can be found, for example, in the abstract, paragraphs [0014], [0016], [0026], [0028], [0029], [0031], [0032], [0035], [0057], [0062], [0065], [0069], [0071], [0072], [0073], [0076], [0078], [0080], [0081], [0082] and [0085] in the Specification of copending U.S. Patent Application Serial No. 10/720,777, which was filed on the same date as the current application. As US Patent Application Serial Number 10/720,777 was incorporated by reference in its entirety into the instant specification, it is a part of the instant specification as filed as if the text was repeated. See M.P.E.P. §2163.07(b). Therefore, no new matter was added by way of this amendment.

Other amendments have been made to correct typographical errors, to provide sufficient antecedent basis for certain claim limitations, and/or to conform certain claims to other amendments made herein. These amendments are self-evident where they occur.

In view of the foregoing, no new matter has been added by way of these amendments to the claims.

#### Rejection of Claims Under 35 U.S.C. §101

The claims are rejected under 35 U.S.C. §101, as allegedly being directed to non-statutory subject matter. Specifically, the Examiner asserts that the claims are not tied to another

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statutory class of invention (such as a particular apparatus), or do not involve transformation of the subject matter into a different state or thing. The Examiner acknowledges that Applicants claim the steps of a process. However, the Examiner asserts that Applicants fail to claim or mention the presence of another statutory class. The Examiner accordingly concludes that the pending claims are directed to non-statutory subject matter. Applicants respectfully disagree.

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

According to recent Federal Circuit decisions, a claimed process is patent-eligible under § 101 if: (1) it is tied to a particular machine or apparatus, or (2) it transforms a particular article into a different state or thing. *See Benson*, 409 U.S. at 70, *Diehr*, 450 U.S. at 192, *Flook*, 437 U.S. at 589 n.9 and *Cochrane v. Deener*, 94 U.S. 780, 788 (1876). The basis for the machine-or-transformation test is the prevention of pre-emption of fundamental principles. The Federal Circuit notes for clarity that the electronic transformation of the data itself into a visual depiction in *Abele* was sufficient; the claim was not required to involve any transformation of the underlying physical object that the data represented. The Federal Circuit concludes that [s]o long as the claimed process is limited to a practical application of a fundamental principle to transform specific data, and the claim is limited to a visual depiction that represents specific physical objects or substances, there is no danger that the scope of the claim would wholly pre-empt all uses of the principle. *See In Re Bilski and Warsaw*, 545 F.3d 943, 88 U.S.P.Q.2d 1385 (Fed. Cir. 2008).

The amended claims are clearly tied to a particular machine or apparatus. The step of converting the production practice data to environmental data using pre-selected conversion factors as recited in Claims 1, 52, 62 and 84 and the step of further converting at least a portion of the environmental data to a plurality of emission reduction units as recited in Claims 1 are tied to a processing device known in the relevant art. Therefore, the claimed invention is directed to a method of transforming the initial production practice data to a set of environmental data which can be applied differently, using processing devices.

All other pending dependent claims include all the limitations of the independent claims 1, 52, 62 and 84, and therefore are all directed to a method of processing environmental emissions by transforming the initial production practice data to a set of environmental data which can be applied differently, using processing devices.

Applicants respectfully submit that all the pending claims are directed to a method of processing environmental data using processing devices. There is no danger that the scope of the claim would wholly pre-empt all uses of any principle. Applicants respectfully submit that for at least these reasons the claimed subject matter meets the requirements of U.S.C. 35 §101 in view of the recent Federal Circuit decisions. Applicants respectfully request the Examiner reconsider and withdraw the rejection to Claims 1, 6, 10-15, 17, 20, 23-27, 32, 33, 35, 37, 38, 40, 42, 45-48, 50, 52, 56, 57, 59-62, 64, 67, 68, 71-74, 76, 78-80, 84, 86, 87, 94, 95, 97, 98 and 100-102 under U.S.C. 35 §101.

Rejection of Claims Under 35 U.S.C. §112, Second Paragraph, Indefinite

Claims 1-83 are rejected under 35 U.S.C. §112, second paragraph, as allegedly being indefinite for failing to particularly point out and distinctly claim the subject matter which Applicants regard as the invention. Particularly, the Examiner alleges that in Claims 1 and 62 it is not clear what data is being referred to about “environmental emissions removal” and whether it is referred to as the process of removal or the results of removal. The Examiner further asserts that in Claim 52 it is unclear how emissions removal is or can be produced by a producer. Applicants respectfully disagree.

“Environmental emissions removal” recited in Claims 1, 52 and 62, as well as in the rest of the Specification and claims as filed, refers to the environmental emissions which are desired to be removed, such as greenhouse gases (GHG), and the like, and the action, the equipment and the result of removing these undesirable environmental emissions. See, for example, paragraphs [0006], [0008], [0009], [0011], [0012], [0014], [0015], [0018], [0020], [0037], [0051], [0059], [0065], [0067], [0094] and [0102]. A person of ordinary skill in the relevant art, reading the instant specification and the claimed subject matter, would recognize what the term refers to in the claimed invention. Therefore, Applicants submit that Claims 1-83 are clear and definite.

Reconsideration and withdrawal of the rejections to these claims under 35 U.S.C. §112, second paragraph are respectfully requested.

### Rejection of Claims Under 35 U.S.C. §103

The claims were rejected under U.S.C. 35 §103 as being unpatentable over Daggett et al. (US 2002/0173980 A1, referred to as “Daggett” hereinafter) in view of Sandor et al.(US 2005/0246190 A1, referred to as “Sandor” hereinafter). Applicants respectfully disagree.

#### *Standard for Obviousness*

The Patent and Trademark Office has the burden under section 103 to establish a *prima facie* case of obviousness. *In re Piasecki*, 745 F.2d 1468, 1471-72, 223 USPQ 785, 787-87 (Fed. Cir. 1984). In the recent decision by the Supreme Court in *KSR International Co. v. Teleflex Inc.*, 82 USPQ2d 1385 (2007), the Supreme Court reaffirmed the framework for determining obviousness as set forth in *Graham v. John Deere Co.* (383 U.S. 1, 148 USPQ 459 (1966)). See M.P.E.P. §2141 and §2143. To establish a *prima facie* case of obviousness, three basic criteria must be met: first, the prior art reference (or references when combined) must teach or suggest each element claimed; second, one of ordinary skill in the art could have combined the elements as claimed by known methods, and that in combination, each element merely performs the same function as it does separately; finally, one of ordinary skill in the art would have recognized that the results of the combination were predictable. See M.P.E.P. §2143.

An essential characteristic of any *prima facie* case of obviousness is that the references, when combined must teach or suggest each element claimed. The present rejection fails to make a *prima facie* case of obviousness because the references in combination fail to supply at least one element common to all of the claims in consideration.

The Examiner alleges that the data identifying “creation of a contract” is non-functional descriptive data. Applicants respectfully disagree. The claimed invention is drawn to a method of processing environmental emissions. In some embodiments of the invention, the processing of environmental emissions is through partnership between more than more entities, or different units of the same entity, for efficient emission processing. See, for example, Claim 54.

“Creation of a contract” is part of the invention to establish this partnership in order to facilitate effective emission process. Accordingly, Applicants respectively submit that the data identifying “creation of a contract” is not non-functional descriptive material, but an important step of the current method claims.

Daggett teaches a system for gathering and organizing land-related information by associating that information with Geographic Positioning System (GPS) coordinates. The system maps an agricultural field and divides the maps of the field into management zones. The land within each management zone is homogenous with respect to risk factors related to crop failure. A Geographic Information System (GIS) record is created with respect to each management zone and fields of relevant agronomic information for that management zone are associated with the record. Daggett further teaches that the GIS records associated with the system are useful in verifying carbon credits, and the mechanisms used to gather the information for the GIS records is useful for accumulating carbon credits. See the abstract.

However, Daggett does not teach, at least, three limitations in the amended Claims 1, 52, 62 and 84. Firstly, Daggett does not teach converting the production data to environmental data using pre-selected conversion factors using a processing device as recited in Claims 1, 52, 62 and 84, and further converting at least a portion of the environmental data to a plurality of emission reduction units using a processing device as recited in Claims 1, as acknowledged by the Examiner. Secondly, Daggett does not teach monitoring a transaction of the environmental data, as acknowledged by the Examiner. Thirdly, Daggett does not teach assigning the environmental data a unique identifier, as acknowledged by the Examiner. There are other deficiencies in Daggett compared to the claimed invention. Applicants reserve the right to argue these and other deficiencies of Daggett in future prosecution if needed.

Sandor teaches methods for facilitating trading of emission by collecting activity data based on energy consumption and converting the activity data to one of GHG emission or GHG emission conversion equivalents. However, Sandor does not teach, at least, assigning the environmental data a unique identifier. The Examiner points to col. 5, tables 2 and 3 showing various alphanumeric and numeric codes in Sandor for such teaching. See the last paragraph on page 19 of the office action. Applicants note that there are no such tables in Column 5 of Sandor

and assume, as with the section titled "RESPONSE TO REMARKS" that the Examiner has confused this application with Applicants' related application and perhaps erroneously borrowed verbiage from a different office action in preparing the Office Action to which Applicants hereby respond.

Accordingly, Sandor does not remedy at least one deficiency of Daggett, compared to the amended Claims 1, 52, 62 and 84, because at least the claim feature of assigning a unique identifier to the emission reduction unit or environmental data is missing from both Daggett and Sandor. Applicants respectfully submit that Claims 1, 52, 62 and 84 are therefore not obvious over Daggett in view of Sandor. All the other dependent claims include all the limitations of these independent claims, and therefore, are not obvious over Daggett in view of Sandor.

In view of the foregoing, Applicants respectfully submit that Claims 1, 6, 10-15, 17, 20, 23-27, 32, 33, 35, 37, 38, 40, 42, 45-48, 50, 52, 56, 57, 59-62, 64, 67, 68, 71-74, 76, 78-80, 84, 86, 87, 94, 95, 97, 98 and 100-102 are patentable over the cited references in combination or alone. Reconsideration and withdrawal of the rejection of claims under 35 U.S.C. §103 is respectfully requested.

Conclusion

Applicants submit that the present Application is in condition for allowance and respectfully request the same. If any issues remain, the Examiner is cordially invited to contact Applicants' representative at the number provided below in order to resolve such issues promptly.

Please charge any additional fees, including any fees for additional extension of time, or credit overpayment to Deposit Account No. 04-0258.

Respectfully submitted,

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